

and that he met Rewald in that effort.

Like Braswell, another general who asked not to be named, also was impressed with Rewald's apparent successful operation.

He invested money in the company to get the promised 20 percent interest, which did not seem that high considering the commercial rate at other institutions was 18 percent.

When that rate dropped to 10 percent and Rewald still promised to pay 20 percent, the general sensed something was wrong. However, when Rewald showed no reluctance to let him withdraw his money plus the promised interest, the general, reassured, left his money in.

IT WAS NOT until Rewald's suicide attempt and the resulting bankruptcy that members of the "intervention committee" realized that they had probably lost their investments.

Braswell was so concerned about the loss of his money, which sources said was about \$100,000, that he went to see Rewald in the hospital about getting it out.

Friends of Harris allege that Braswell had been warned about Rewald last year by Jimmy Chong, Harris' aide who became suspicious about Rewald and his company and on his own began investigating.

but would not say for what type of treatment.

THROUGH HARRIS, Braswell and the other committee members met Rewald. They were impressed by his operation. Braswell became an investor and was even considering joining the firm as a consultant when he retired this year.

He was scheduled to retire on Aug. 1, two days after Rewald attempted to commit suicide, but the date has been delayed until Oct. 1.

Col. Peter Sloan, spokesman for Braswell, confirmed the general was involved with the "informal group" trying to help Harris "in regard to his health and welfare"

## Mystery remains in Rewald case

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old Brazil hand, chief pilot for Pan Am there for 13 years, he said, and felt then as now it was a place of "tremendous potential."

BB never DID invest any money in Brazil that Avary could recall. Or anywhere else, for that matter.

Avary had \$13,000 into BB by last November, for himself and his son. "That was his senior year at Stanford," Avary sighed. He said he never guessed that Ron might be using the money for his personal purposes. "If I had I would have done something about it, fast."

What to do now? "We should use every honorable means possible to find out where in the flaming hell that money is," the captain told the judge.

Vivieros, the Kailua housewife, says she too she still hopes that the money can be found.

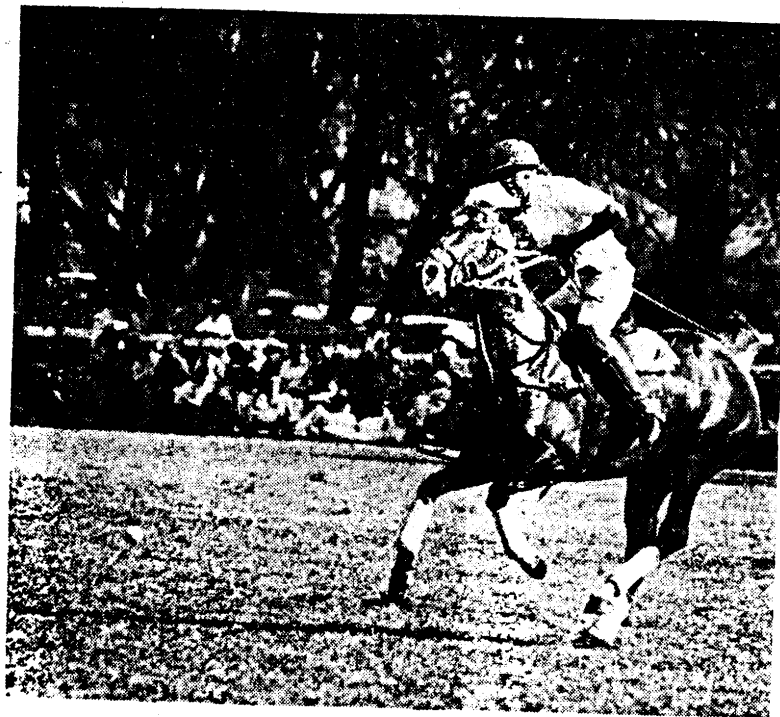
BB's attorney, Robert Smith, is pushing that idea, saying that with Rewald in jail — where he is being held on \$10 million bail awaiting trial on state theft charges — it will be very difficult to find the assets.

To get Ron out of jail, Smith talked to one of the bankruptcy attorney's lawyers, Don Gelber, about certain "conditions" for Rewald's cooperation. Gelber talked to U.S. Attorney Dan Bent, but it didn't appear. Judge Pence said, that THAT effort was going anywhere.

They asked Hugh F. Fraser yesterday if it would be nice to have Ron out of jail so he could personally assist in finding the assets. "I personally believe the whole thing was a scam. I personally believe there was nothing there, and I personally believe I have lost all my money!" he answered.

Fraser's involvement, like Vivieros', also started with Jane Inuma, an insurance colleague, who advised him that BB "was looking for additional capital" and would guarantee a 50 percent return "if they could have the money for six months."

(There were other, quite casual, avenues into the Rewald empire. Ron's girl Friday, Jacqueline Vos, for example, handled client investments and did personal things for Ron, "bought things for him that he had to have, clothing, and art works." She had so much faith in her boss that she put all



Rewald bought the polo club in Mokuleia in 1982.

she mentioned it to Ron's personal physician when she was paying him a visit. For that, and for two other similar referrals, Vos said, she was paid \$15,000 in bonuses.)

Fraser said he had "complete faith in Jane (Inuma), known her for eight or nine years," and so Fraser put in \$15,000 in June 1982. By January, he had \$22,500 back.

Jane had been close to Ron since she sold a life insurance policy for Ron's wife, and when Jane suggested another investment to Fraser, Fraser ascended to the 26th floor of the Grosvenor Center and talked with Ron.

Fraser said he was assured of 20 percent, plus a year-end bonus of 5 to 7 percent, complete liquidity of his funds, FDIC insurance. The money, Ron said, was to be placed in "a number of investments he couldn't talk about, but solid investments."

for \$30,000 last March 18. By the 30th, he had a quarterly statement ("they were very prompt, yes"), and then the mail included other information, news clippings, views of the economy, an article about Rewald.

On May 4, Fraser put in another \$14,729 — his income tax refund and some other cash. And then on June 1, Fraser was in — for another \$3,500, he said.

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